

## Message Text

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51

ACTION EB-07

INFO OCT-01 EUR-12 EA-06 NEA-09 ISO-00 SP-02 AID-05 NSC-05

RSC-01 CIEP-01 TRSE-00 SS-15 STR-01 OMB-01 CEA-01

CIAE-00 COME-00 FRB-01 INR-07 NSAE-00 XMB-02 OPIC-03

LAB-04 SIL-01 L-02 H-01 PA-01 PRS-01 USIA-06 /096 W

----- 024181

R 141617Z JAN 75

FM AMEMBASSY BONN

TO SECSTATE WASHDC 7231

INFO AMEMBASSY BRUSSELS

AMEMBASSY LONDON

AMEMBASSY OTTAWA

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

AMEMBASSY THE HAGUE

AMEMBASSY DACCA

AMEMBASSY ISLAMABAD

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E.O. 11652: N/A

TAGS: EFIN, GW, BG, PK

SUBJECT: BILATERAL DEBT AGREEMENTS WITH PAKISTAN  
AND BANGLADESH

REF: STATE 6991

1. ACCORDING TO FINANCE MINISTRY SOURCE, FRG  
BILATERAL AGREEMENTS WERE CONCLUDED WITH  
BANGLADESH ON SEPT 13 AND WITH PAKISTAN ON NOV 14.  
BANGLADESH ASSUMED RESPONSIBILITY FOR ALL PREWAR

PAKISTAN DEBT ON PROJECTS LOCATED IN BANGLADESH,  
PER TERMS OF JUNE 28 MEMORANDUM OF UNDERSTANDING.  
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IN NEGOTIATIONS WITH FRG, BANGLADESH SOLICITED

FRG EFFORTS TO PERSUADE PAKISTAN TO ASSUME RESPONSIBILITY FOR A NUMBER OF DEBTS CONNECTED WITH SMALLER PROJECTS. FRG CONTENDED THAT THIS WAS ESSENTIALLY A BILATERAL ISSUE BETWEEN BANGLADESH AND PAKISTAN, BUT OFFERED TO BRING BANGLADESH VIEWS TO ATTENTION OF PAKISTAN. AGREEMENT WITH BANGLADESH CONTAINS EXPRESSION OF HOPE ON PART OF BANGLADESH THAT PAKISTAN WILL ASSUME SOME RESPONSIBILITY.

2. BANGLADESH PAYMENTS WILL BE IN ACCORD WITH IDA TERMS: 50 YEARS, WITH 10 YEAR GRACE PERIOD, AND INTEREST RATE OF 0.75 PERCENT. WHILE INTEREST PAYMENTS DURING 10-YEAR GRACE PERIOD WILL COVER OFFICIAL AS WELL AS COMMERCIAL DEBT, FRG WILL PASS THESE PAYMENTS TO COMMERCIAL CREDITORS, WHO WILL RECEIVE INTEREST OF 2.5 PERCENT. CSC

3. FRG FINMINISTRY WOULD APPRECIATE INFORMATION ON OUTCOME OF US-PAKISTAN NEGOTIATIONS NOW UNDERWAY. CASH

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DEBT AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 14 JAN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975BONN00611  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750014-0398  
**From:** BONN  
**Handling Restrictions:** n/a  
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**Line Count:** 82  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
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**Review Markings:**

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EO Systematic Review  
05 JUL 2006

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**Secure:** OPEN  
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**TAGS:** EFIN, GE, BG, PK  
**To:** STATE  
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